



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-955]

Certain Magnesia Carbon Bricks from the People's Republic of China: Rescission of Countervailing Duty Administrative Review; 2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) is rescinding the administrative review of the countervailing duty (CVD) order on certain magnesia carbon bricks (magnesia carbon bricks) from the People's Republic of China (China) for the period of review January 1, 2018 through December 31, 2018 (POR).

DATES: Applicable [Insert Date of Publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Gene H. Calvert, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3586.

SUPPLEMENTARY INFORMATION:

Background

On September 3, 2019, Commerce published in the *Federal Register* a notice of opportunity to request an administrative review of the CVD order on magnesia carbon bricks from China for the POR.¹ On September 30, 2019, the Magnesia Carbon Bricks Fair Trade

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 84 FR 45949 (September 3, 2019).

Committee (MC Bricks Committee) timely submitted a request to review multiple companies, in accordance with 19 CFR 351.213(b).² No other party submitted a request for an administrative review of the CVD order on magnesia carbon bricks from China for the POR.

On October 4, 2019, Fedmet filed an objection to the MC Bricks Committee's request for Commerce to conduct this administrative review with respect to Fedmet, arguing that Fedmet is not, nor has it ever been, a producer or exporter of magnesia carbon bricks from China.³ As such, according to Fedmet, the MC Bricks Committee had no grounds to request a review of Fedmet and, therefore, Commerce should decline to initiate this administrative review with respect to Fedmet.⁴ No party commented on Fedmet's Letter of Objection.

On November 12, 2019, Commerce published in the *Federal Register* a notice of initiation of this administrative review for all requested companies, including Fedmet.⁵ In the *Initiation Notice*, Commerce stated that in the event it limits the number of respondents for individual examination, it intended to select respondents based on U.S. Customs and Border Protection (CBP) data for U.S. imports of magnesia carbon bricks from China during the POR.⁶ On November 18, 2019, Commerce notified interested parties that CBP's database, which is

² See MC Bricks Committee's Letter, "Certain Magnesia Carbon Bricks from the People's Republic of China: Request for Administrative Review," dated September 30, 2019. The MC Bricks Committee is an ad hoc business association comprised of three U.S. producers of magnesia carbon bricks: Resco Products, Inc.; Magnesita Refractories Company; and HarbisonWalker International, Inc. The companies requested are: Dandong Xinxing Carbon Co., Ltd.; Fedmet Resources Corporation (Fedmet); Fengchi Imp. and Exp. Co., Ltd.; Fengchi Imp. and Exp. Co., Ltd. of Haicheng City; Fengchi Mining Co., Ltd. of Haicheng City; Fengchi Refractories Co., of Haicheng City; Haicheng Donghe Taidi Refractory Co., Ltd.; Henan Xintuo Refractory Co., Ltd.; Liaoning Fucheng Refractories; Liaoning Zhongmei High Temperature Material Co., Ltd.; Liaoning Zhongmei Holding Co., Ltd.; RHI Refractories Liaoning Co., Ltd.; Shenglong Refractories Co., Ltd.; Tangshan Strong Refractories Co., Ltd.; The Economic Trading Group of Haicheng Houying Corp., Ltd; Yingkou Heping Samwha Minerals, Co., Ltd; and Yingkou Heping Sanhua Materials Co., Ltd.

³ See Fedmet's Letter, "Certain Magnesia Carbon Bricks from the People's Republic of China, Case No. C-570-955: Response to Petitioner's Request for Administrative Review," dated October 4, 2019 (Fedmet's Letter of Objection).

⁴ *Id.*

⁵ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 61001 (November 12, 2019) (*Initiation Notice*).

⁶ *Id.* at the section, "Respondent Selection."

comprised of actual U.S. entries of subject merchandise, indicated that there were no POR entries of magnesia carbon bricks from China that are subject to CVD duties with respect to the requested companies, and invited interested parties to comment on the CBP Entry Data.⁷ No interested party commented on the CBP Entry Data.

On December 12, 2019, Fedmet timely submitted a certification of no shipments, stating that it made no entries, exports, or sales of subject merchandise imported from China into the United States during the POR, and stated that it is a U.S. importer and distributor of non-subject merchandise from China.⁸ Fedmet reiterated its argument that the MC Bricks Committee had no grounds to request this administrative review with respect to Fedmet, and argued that Commerce has no lawful basis to conduct this review regarding Fedmet.⁹ Fedmet also requested that Commerce terminate this review with respect to Fedmet or, in the alternative, rescind this review with respect to Fedmet in accordance with 19 CFR 351.213(d)(3).¹⁰ No interested party commented on Fedmet's Certification of No Shipments.

On February 14, 2020, Commerce requested that CBP confirm whether any shipments of magnesia carbon bricks from China entered the United States during the POR regarding any of the requested companies.¹¹ On March 9, 2020, CBP responded to Commerce's inquiry and confirmed that there were no shipments of magnesia carbon bricks from China during the POR

⁷ See Memorandum, "Administrative Review of the Countervailing Duty Order on Certain Magnesia Carbon Bricks from the People's Republic of China; 2018: Release of U.S. Customs and Border Protection (CBP) Data for Respondent Selection," dated November 18, 2019 (CBP Entry Data).

⁸ See Fedmet's Letter, "Magnesia Carbon Bricks from the People's Republic of China, Case No. C-570-955: No Shipments Certification," dated December 12, 2019 (Fedmet's Certification of No Shipments).

⁹ *Id.*

¹⁰ *Id.*

¹¹ See CBP message no. 0045406, dated February 14, 2020.

with respect to the requested companies.¹² No interested party commented on CBP's Confirmation of No Shipments.

On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.¹³ As such, the current deadline for the preliminary results in this administrative review is July 21, 2020. On June 25, 2020, Commerce issued a memorandum stating that it intended to rescind this administrative review based on the lack of suspended entries related to the requested companies, and invited comments from interested parties.¹⁴ No interested party commented on Commerce's intent to rescind this administrative review.

Rescission of Review

It is Commerce's practice to rescind an administrative review of a CVD order, pursuant to 19 CFR 351.213(d)(3), when there are no reviewable entries of subject merchandise during the POR for which liquidation is suspended.¹⁵ Normally, upon completion of an administrative review, the suspended entries are liquidated at the assessment rate calculated for the review period.¹⁶ Therefore, for an administrative review to be conducted, there must be a reviewable, suspended entry for which Commerce can instruct CBP to liquidate at the newly calculated

¹² See Memorandum, "Certain Magnesia Carbon Bricks from the People's Republic of China (China): Results of U.S. Customs and Border Protection (CBP) No Shipments Inquiry with Respect to Various Companies During the Period January 1, 2018, through December 31, 2018 (CBP's Confirmation of No Shipments).

¹³ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19," dated April 24, 2020.

¹⁴ See Memorandum, "Administrative Review of the Countervailing Duty Order on Certain Magnesia Carbon Bricks from the People's Republic of China: Intent to Rescind the 2018 Administrative Review," dated June 25, 2020 (Intent to Rescind Memorandum).

¹⁵ See, e.g., *Certain Magnesia Carbon Bricks from the People's Republic of China: Rescission of Countervailing Duty Administrative Review; 2016*, 84 FR 22437 (May 17, 2019) (*Magnesia Carbon Bricks 2016 AR*) and accompanying Issues and Decision Memorandum (IDM); see also *Circular Welded Carbon Quality Steel Pipe from the Republic of China: Rescission of Countervailing Duty Administrative Review; 2017*, 84 FR 14650 (April 11, 2019); see also *Lightweight Thermal Paper from the People's Republic of China: Notice of Rescission of Countervailing Duty Administrative Review; 2015*, 82 FR 14349 (March 20, 2017); and *Lightweight Thermal Paper from the People's Republic of China: Notice of Rescission of Countervailing Duty Administrative Review*, 81 FR 50683 (August 2, 2016).

¹⁶ See 19 CFR 351.212(b)(2).

assessment rate.¹⁷ Based on an examination of the record, Commerce finds that there is no evidence of reviewable entries, shipments, or U.S. sales of subject merchandise (*i.e.*, magnesia carbon bricks from China) during the POR.¹⁸ Accordingly, in the absence of suspended entries of subject merchandise during the POR for this administrative review, Commerce is rescinding this administrative review of the CVD order on magnesia carbon bricks from China, pursuant to 19 CFR 351.213(d)(3), in its entirety. Commerce intends to issue appropriate assessment instructions to CBP 15 days after the publication date of this rescission notice in the *Federal Register*.

Administrative Protective Order

This notice serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Commerce is issuing and publishing this notice in accordance with sections 751(a)(1) and 777(1) of the Tariff Act of 1930, as amended, and 19 CFR 351.213(d)(4).

Dated: July 9, 2020.

James Maeder,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations.

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¹⁷ See *Magnesia Carbon Bricks 2016 AR* and accompanying IDM at 5-6.

¹⁸ See Intent to Rescind Memorandum.